

MINUTES
OF THE BOARD OF REGENTS
WESTERN KENTUCKY UNIVERSITY
July 30, 1999

AGENDA ITEM 1 - Call to Order

Required statutory notice having been given, the third quarterly meeting of the Board of Regents of Western Kentucky University was held in the Library of the WKU-Glasgow Campus. The meeting was called to order at approximately 2:20 p.m., EDT, by Mr. Cornelius A. Martin, Chair.

AGENDA ITEM 2 - Invocation

The invocation was given by Ms. Juanita Bayless, Interim Director of the Glasgow Campus.

AGENDA ITEM 3 - Roll Call

The following Board members were in attendance:

Ms. Kristen Bale
Ms. Amanda J. Coates
Mr. Robert Earl Fischer
Ms. N. Joy Gramling
Ms. Lois W. Gray
Ms. Peggy W. Loafman
Mr. Cornelius A. Martin
Professor Mary Ellen Miller
Mr. Ronnie Sheffer
Mr. James Tennill

Ms. Bale and Ms. Coates were administered the Oath of Office by Barren County Judge Executive Freddie Travis at a noon luncheon at the Glasgow Country Club. Ms. Coates was elected by the student body for a one-year term, and Ms. Bale was reappointed by Governor Patton to a six-year term to expire June 30, 2005.

AGENDA ITEM 4 - Resolutions of appreciation

Ms. Coates read the following resolution for Ms. Stephanie Cosby:

RESOLUTION

WHEREAS, Ms. Stephanie Cosby, Greenville, Kentucky, has served as a member of the Board of Regents of Western Kentucky University from July 1, 1998, to July 1, 1999, and

WHEREAS, her term of office was characterized by able leadership, faithful service to the needs and concerns of students, and dedication to her responsibility of ensuring effective governance for the University; and

WHEREAS, her loyal service and leadership have made significant and lasting contributions to the University; and

WHEREAS, such leadership and dedicated efforts are deserving of special recognition; therefore, be it

RESOLVED, that the Board of Regents of Western Kentucky University in a meeting on July 30, 1999, does hereby express its appreciation to Ms. Stephanie Cosby for her contributions and extends best personal wishes for continued success in all her endeavors; be it

FURTHER RESOLVED, that this resolution be spread upon the minutes and that a copy thereof be presented to Ms. Cosby as an expression of the esteem in which she is held by the members of this Board.

Ordered at Glasgow, Kentucky, this thirtieth day of July in the year of our Lord one thousand nine hundred and ninety-nine.

Cornelius A. Martin
Chair
Board of Regents

Gary A. Ransdell
President

Ms. Lois Gray read the following resolution for Ms. Sara Hulse:

RESOLUTION

WHEREAS, Ms. Sara L. Hulse, Owensboro, Kentucky, has served as a member of the Board of Regents of Western Kentucky University from August 18, 1997, to May 21, 1999; and

WHEREAS, Ms. Hulse served as a member of the Board during the selection and appointment of the ninth President of Western Kentucky University; and

WHEREAS, this was a significant period in the history of Western Kentucky University wherein a transformation in the life of the University was initiated; and

WHEREAS, her term of office was characterized by strong leadership, keen insight, faithful service, and dedication to her responsibilities; and

WHEREAS, her loyal service and leadership have made significant and lasting contributions to the University; and

WHEREAS, such leadership and dedicated efforts are deserving of special recognition; therefore, be it

RESOLVED, that the Board of Regents of Western Kentucky University in a meeting on July 30, 1999, does hereby express its appreciation to Ms. Sara L. Hulse for her contributions and extends best personal wishes for long years of health and happiness; be it

FURTHER RESOLVED, that this resolution be spread upon the minutes and that a copy thereof be presented to Ms. Hulse as an expression of the esteem in which she is held by the members of this Board.

Ordered at Glasgow, Kentucky, this thirtieth day of July in the year of our Lord one thousand nine hundred and ninety-nine.

Cornelius A. Martin
Chair
Board of Regents

Gary A. Ransdell
President

Motion to approve the two resolutions of appreciation was made by Ms. Bale, seconded by Ms. Gray and carried unanimously.

AGENDA ITEM 5 - Reorganization of the Board applying to the Chair, Vice Chair, and Secretary.

Ms. Loafman placed in nomination the names of Mr. Cornelius Martin for Chair; Ms. Kristen Bale, Vice Chair; and Ms. Liz Esters for Secretary. The motion was seconded by Mr. Fischer and carried unanimously.

Mr. Martin appointed Ms. Ann Mead as Treasurer and Dr. Randall Capps as Parliamentarian.

AGENDA ITEM 6 - Committee Appointments for 1999-2000 including appointment of Special Committee (Diversity and Internationalism)

This item was deferred to the special Board meeting on August 27.

AGENDA ITEM 7- Disposition of minutes of meeting of May 21, 1999

A draft of the minutes was mailed prior to the meeting, Motion for approval was made by Mr. Fischer, seconded by Ms. Loafman, and carried.

AGENDA ITEM 8 - Approval of the revised 1999-2000 budget

FACTS: Housing and Residence Life and Telephone Communications have formed a partnership to resell long distance service to Western’s residential students. Beginning in August 1999, all residential students will have the opportunity to utilize Western’s telephone system for ten cents (\$.10) per minute long distance access anytime, anywhere in the continental USA. The revenues generated from this program will be shared equally between Housing and Residence Life and Information Technology. The Information Technology revenues will accumulate and be used to upgrade the telephone system, infrastructure, and campus network to provide enhanced communications services to the residence halls and the Western campus community. The total projected revenue for this project is \$780,000 of which \$170,000 is budgeted with Auxiliary Enterprises.

<u>Source</u>	<u>Proposed Revisions</u>
Educational and General	
Other Sources	\$610,000
<u>Use</u>	
Residents Long Distance Resale	\$610,000

RECOMMENDATION: President Ransdell recommends that revisions to the Western Kentucky University 1999-2000 Combined Budget, totaling \$610,000, for Educational and General be approved.

MOTION for approval was made by Ms. Coates, seconded by Mr. Fischer, and carried unanimously.

AGENDA ITEM 8.1 - Approve an allocation of \$140,000 from the Auxiliary

Reserve for replacement of two cooling towers at Downing University Center

FACTS: The cooling towers are original equipment, are 29 years old, and have exceeded their expected life cycle by 9 years. When activated this past spring, it was expected, based upon their condition, that we should be able to have one more year of service before replacement would be necessary. During this cooling season, however, the equipment has deteriorated more rapidly than anticipated, and based upon the current condition, will not likely provide for adequate air conditioning during peak demands in August. This allocation would permit the rental of temporary equipment to ensure proper cooling through the opening of the fall semester as well as replacement equipment that would likely be installed in October.

The current balance of the auxiliary reserve is \$451,646 and following this allocation, the reserve would be reduced to \$311,646. As part of the 1998-99 year-end process, the auxiliary fund balance will be utilized to restore the reserve to \$500,000 which was set as the intended reserve level.

RECOMMENDATION: President Ransdell recommends approval of this allocation for a needed capital renewal project.

MOTION for approval of an allocation of \$140,000 from the auxiliary reserve for the replacement of cooling towers at Downing University Centers was made by Mr. Sheffer, seconded by Ms. Bale, and carried unanimously.

AGENDA ITEM 9 - Recommendation for approval of Guiding Principles

for Setting Tuition

FACTS: In 1999, the Council on Postsecondary Education approved a very significant change with the decentralization of the tuition-setting responsibility. In an effort to provide institutions with more management flexibility, the universities will be responsible for setting their own tuition rates as long as they are consistent with a set of general principles determined by CPE. This is part of a new approach to funding which includes differentiated benchmark institutions for each of Kentucky's universities. The Tuition-Setting Guidelines for 2000-02 are as follows:

- o Rates may be differentiated by factors such as residency status; program level (i.e., undergraduate, graduate, and first professional); and program (e.g., business and biology). Rates may be set on a per credit hour basis.
- o Each institution will submit planned biennial tuition rates and projected tuition and fees revenue for 2000-01 and 2001-02 to the Council by September 1, 1999, for use in developing the Council's 2000-02 biennial budget request. The anticipated tuition and fees revenue should be consistent with the

Council's operating funding guidelines.

The Guiding Principles for Setting Tuition is to assist the University with long-range planning and to ensure that decisions are consistent with Western Kentucky University's strategic goals and objectives. It is anticipated that approval and application of these guidelines will address primarily **Strategic Goal 1: Increasing Student Learning, Strategic Goal 2: Developing the Student Body, and Strategic Goal 3: Assuring High Quality Faculty and Staff**. The Principles address the importance of academic excellence without compromising access.

Guiding Principles for Setting Tuition

1. Tuition should address the need for educational quality, access, and financial manageability.
2. The University's base budget should be primarily funded through a shared funding responsibility between the state and the students for the maintenance and enhancement of educational quality.
3. Tuition should be appropriate to ensure that Western Kentucky University can achieve its goals of excellence stated in its *Strategic Plan* and in the Postsecondary Education Improvement Act of 1997.
4. Tuition should be based on full implementation of the Council on Postsecondary Education's Funding Model whereby state appropriations are sufficient for Western Kentucky University to achieve the expectations of quality.
5. Tuition should address students' ability to pay.
6. Tuition increases should be moderate and predictable to ensure economic access.
7. Increases in tuition should be accompanied by increases in student financial assistance.
8. Tuition should take into consideration geographic access and the value of a diverse student body.
9. Tuition differentials by level (i.e., undergraduate and graduate) and by residency (i.e., resident and nonresident) should be fiscally sound.
10. To preserve broad access to programs, ~~there should be no~~ **the University should exercise significant caution in differentiating** tuition by degree program or student major.
11. **Tuition increases should be sensitive to the financial planning of currently enrolled students.**

RECOMMENDATION: President Ransdell recommends the approval of the Guiding Principles for Setting Tuition for use in setting tuition rates for 2000-01 and 2001-02.

MOTION for approval of the Guiding Principles for Setting Tuition for use in setting tuition rates for 2000-01 and 2001-02 with the changes as bolded in items 10 and 11 was made by Professor Miller, seconded by Ms. Loafman, and carried unanimously.

Special Called Meeting of the Board - Discussion lead to the establishment of

Friday, August 27, at 9 a.m., CDT, for a special meeting of the Board.

AGENDA ITEM 10 - Approval of Policy on Administrative Hearings for

Residency Appeals

FACTS: Responsibility for making final decisions on Appeals of Residency has been delegated to the University rather than to the CPE. At its last meeting, the Board of Regents approved a motion authorizing the University to develop the procedure for residency appeals. This recommendation establishes the procedure as to the formal hearings that must be conducted. The Office of the Provost shall have the responsibility for the procedure.

RECOMMENDATION: President Ransdell recommends the approval of the Policy on Administrative Hearings for Residency Appeals which follows:

***Formal Institutional Hearing Procedures
for Determination of Residency***

A student who appeals a determination of residency by the Residency Review Committee shall be granted a formal institutional hearing in accordance with Section 14 of the state residency regulation (13 KAR 2:045).

A. *Student Rights and Responsibilities*

- 1) The appellant shall submit a written request for a formal institutional hearing to the Office of the Provost. A request shall be made within fourteen (14) calendar days of receipt of notification of residency by the Chair of the Residency Review Committee.
- 2) The appellant has the right:
 - a. To be represented by legal counsel
 - b. To present information and give testimony and information in support of a claim of Kentucky residency
- 3) The student is responsible for any expenses incurred, including the cost of all legal representation in support of the student's claim of residency.

B. *Institutional Rights and Responsibilities*

- 1) The formal institutional hearing shall be administered through the Office of the Provost. The Provost shall appoint a hearing officer who shall be a person:
 - a. Who is not involved in determinations of residency except for formal hearings at Western Kentucky University, or
 - b. Who is not an employee in the same organizational unit as the Residency Appeals Officer.
- 2) Western Kentucky University shall be represented at the hearing by the institution's General Counsel. The Registrar and/or the Chair of the Residency Review Committee shall serve as witnesses.
- 3) A hearing shall be scheduled within forty-five (45) days following receipt of the student's written request.
- 4) The Office of the Provost will forward the following items to the hearing

officer no fewer than ten (10) calendar days prior to the scheduled hearing:

- a. Student's written request for a formal institutional hearing
 - b. Copy of the student's residency file including the affidavit, supporting documentation, written determination of the Registrar, student's request to appeal the Registrar's decision to the Residency Review Committee, and written determination of the Residency Review Committee.
- 5) The institution shall bear all institutional expenses of the hearing, not to include any expenses incurred by the appellant.
 - 6) New information and documentation provided by the student that was not available to the institution by the time of the institution's determination of residency status shall result in a decision by the hearing officer to remand the case to the Residency Review Committee for further action. A remand by the hearing officer shall require the Residency Review Committee to reconsider the determination of residency status in light of the new information.

C. ***Notification of the Administrative Hearing***

- 1) Notice of the hearing shall be made by certified mail, return receipt requested, to the appellant no fewer than twenty (20) days prior to the hearing. An effort will be made to schedule the hearing on a date that is convenient to the parties involved.
- 2) The notice shall include:
 - a) A statement of the date, time, place, and nature of the hearing;
 - b) The name, official title, and mailing address of the hearing officer;
 - c) The names, official titles, mailing addresses, and telephone numbers of all parties to the hearing, including the counsel representing the University;
 - d) A statement advising appellant of his/her right to legal counsel;
 - e) A statement of the appellant's right to examine, prior to the hearing, any evidence to be used at the hearing; and
 - f) A statement advising that any party who fails to attend or participate as required at any stage of the administrative hearing process may be held in default.

D. ***Conduct of the Hearing***

- 1) The hearing shall be conducted at a time and place determined by the Office of the Provost.
- 2) The hearing officer shall preside over the conduct of the hearing and shall regulate the course of the proceedings in a manner which will promote the orderly and prompt conduct of the hearing.
- 3) The hearing officer shall afford all parties the opportunity to respond, present evidence, conduct cross-examination, and submit rebuttal evidence.

- 4) If a party fails to attend or participate in the hearing or other stage of the administrative hearing process, or fails to comply with the orders of a hearing officer, the hearing officer may adjourn the proceedings and issue a recommendation to the Provost for default order granting or denying residency as appropriate, or may conduct the proceedings without the participation of the defaulting party, having due regard for the interest of justice and the orderly and prompt conduct of the proceeding.
- 5) A hearing officer may conduct an administrative hearing by video conference if each party to the hearing agrees.
- 6) All testimony shall be made under oath or affirmation.
- 7) All testimony, motions, and objections shall be accurately and completely recorded.
- 8) The hearing shall be open to the public.

E. ***Final Disposition***

- 1) The hearing officer shall render a written recommendation to the Office of the Provost within fourteen (14) calendar days after the date of the hearing. The written recommendation shall state the reason(s) for the decision.
- 2) Within fourteen (14) days of receipt of the hearing officer's recommendation, the Office of the Provost shall render a final written decision. Notice of the decision and the hearing officer's recommendation shall be made to the appellant by certified mail, return receipt requested.

Following a discussion of this item by Provost and Vice President for Academic Affairs Barbara Burch, Ms. Coates suggested an amendment to change the last word in Item B.1.a from or to "and." Upon hearing Ms. Wilkins' explanation of the wording, Ms. Coates withdrew her suggestion to amend.

MOTION for approval of the Policy on Formal Administrative Hearings for Residency Appeals was made by Ms. Bale, seconded by Ms. Gramling, and carried unanimously.

AGENDA ITEM 11- Recommendation for approval of the establishment of an affiliated Research Foundation (WKURF).

FACTS: Western has been significantly increasing its extramural funding. The awards have grown from approximately \$10 million to \$18 million over the past five years (an 80%) increase. Most institutions with serious aspirations in sponsored programs tend to operate with research foundations. A research foundation will enable Western to add value to these efforts for enhancing research, student learning, faculty development, institutional effectiveness, and community service. The research foundation will create additional flexibility for enlarging Western's extramural funding base within federal and state statutes. All of Western's accounting, human resources, purchasing, and other accountability and record-keeping systems will be used.

Under the proposed joint agreement between the WKURF and Western Kentucky University, WKURF will provide optimum flexibility to Western faculty within

standardized universally accepted audit standards while allowing optimum efficiency and expenditures. All Western policies and procedures will be followed. All employees will be Western employees. The WKURF will be self-supporting and no funds are requested to start up the WKURF. The WKURF will be governed by a board of directors consisting of Western administrators, faculty and community representatives.

Adoption of this program will address, among other things, four of the University's Strategic Goals: Strategic Goal 1: Enhancing Student Learning; Goal 3: Attract, Retain and Support High Quality Faculty and Staff; Goal 4: Enhance Responsiveness to Constituents through Service; and Goal 5: Improve Institutional Effectiveness in All Programs and Services.

Papers for incorporation have been started. We anticipate that process could be completed no later than October 1, 1999. We have asked Ronald M. Bell, President of the University Connected Research Foundations Associates, to come to campus to assist us in establishing the WKURF to best facilitate the extramural funding goals of the University. Naming of the board of directors of the WKURF is anticipated by September 1, 1999.

President Ransdell noted that the primary difference in the Research Foundation and the WKU Foundation is the Research Foundation is a conduit through which federal grants and other grant money flows for flexibility on the part of the principle investigator, the faculty member. The difference between it and the WKU Foundation primarily rests with the WKU Foundation's responsibility for endowment management. The Research Foundation would not hold and create true endowments because the money they receive for research is spent for that research initiative. It is a structural entity to expedite the research itself and will not have a managed pool--any managed pool for endowment purposes would be either with the WKU Foundation or the College Heights Foundation.

Provost Burch stated there were no budgetary implications as no new staff will be required.

MOTION for approval to establish an affiliated Western Kentucky

University Research Foundation was made by Mr. Fischer, seconded by Ms. Coates and carried unanimously.

REQUEST: Approval of the designation of the Journalism and Communication program at Western Kentucky University as a candidate for *Program of Distinction* recognition and funding by the Kentucky Council on Postsecondary Education (CPE).

FACTS: This program at Western has long been recognized for its excellence and will be a centerpiece occupant in the new journalism and technology building (yet to be named) on campus. The Executive Summary presented today will be supplemented with more detailed information that will be submitted to the CPE for approval. This proposal for Program of Distinction recognition for the Journalism and Communication program builds on the existing national

reputation of well-established programs. It is designed to provide leadership for the Commonwealth in the areas of journalism and communication. This program will be established and maintained by the cooperative efforts the Office of Student Publications, WWHR-FM, WKU Forensics, and the newly established School of Journalism and Broadcasting.

This proposed Program of Distinction will allow this institution the opportunity to educate students to communicate intelligently, ethically and competently using a variety of channels. This program will not only serve to educate students coming directly from high school, but will also provide increased opportunity to bring professional practitioners to campus for mid-career training programs, as well as allow more on-site consulting for businesses and organizations. Support for the proposed Commonwealth Virtual University and enhancement of the degree programs offered at Western will also be gained through this program.

Establishment of this proposed Program of Distinction will be consistent with Incentive Trust Fund Program criteria. It is also consistent with the University's Strategic Plan, statewide priorities identified by the Governor, the Council on Postsecondary Education, and the Kentucky Reform Act. This program will compliment and enhance Western's nationally recognized programs in journalism and broadcasting.

RECOMMENDATION: President Ransdell recommends approval of the designation of the Journalism and Communication program at Western Kentucky University as a candidate for *Program of Distinction*.

MOTION for approval of the designation of Journalism and Communication

program as a candidate for *Program of Distinction* was made by Professor Miller, seconded by Ms. Loafman, and carried unanimously.

AGENDA ITEM 13 - Recommendation for approval of personnel

recommendations.

RECOMMENDATION: President Gary A. Ransdell recommends approval of the personnel recommendations which have transpired since May 21, 1999. The actions are contained in the next twelve pages.

MOTION for approval of the recommended personnel recommendations was made by Mr. Sheffer, seconded by Mr. Tennill, and carried unanimously.

AGENDA ITEM 14 - President's Report

- ◆ Dr. Ransdell called on John Osborne to introduce a new member of the staff, Mr. Ed West, who is Director of Construction Management Services in Facilities Management. Mr. West has a Bachelor of Science Degree in Engineering from Clemson and comes to Western from Clemson University where he was Director of Construction Services. President Ransdell commented, "You'll come to realize the value of Ed's leadership and expertise as you watch our campus go through physical transformation in the years ahead."
- ◆ President Ransdell also introduced Dr. Marion Lucas, a *Distinguished University Professor*, who is one of eight professors who hold this distinction.
- ◆ **Agenda Item 14.1 - Residence Hall Recapitalization Plan** In the absence of Mr. David Cole, who was detained in depositions, the discussion was led by Mr. Brian Kuster, Director of Housing. Mr. Kuster reviewed with the Board the document in their possession entitled *WKU Student Life Foundation, Inc.* Mr. Steve Catron, the attorney of record, was in attendance to answer questions also, along with Mr. Vince Berta, who chaired the Housing Task Force Subcommittee on Financing.

President Ransdell commented, "The manner in which this concept has taken shape is a classic example of the significance of our Board of Advisors. These individuals gave up a lot of time to enact the due diligence necessary to get us in a position to present a resolution that will enable us to go forward and lead to a closing. They have given a lot of time, and most importantly, a lot of thought. There was a collection of bankers, attorneys, and successful entrepreneurs on this task force who were invaluable to guide us to this point.

"In my opinion, this project is the single most important step we can take with the physical campus in the short term. Because of this concept, we are able to get out from under the State cap on bonded indebtedness so that we can acquire the indebtedness ourselves through the Student Life Foundation. We are then able to independently contract the work to be done in a very expeditious manner, and it will be invisible to the students. The only thing that will be visible to the students is some destruction because of the construction, but what we will be doing because of that destruction is turning what is a difficult recruiting circumstance into a recruiting advantage by improving the quality of life for our students who live on campus.

"In my first meeting with Student Government in the fall of '97, even before I was in this job, the question was "What can you do to help our residence halls?" This is the single most important factor that students wanted help with, and that's where we are--solving problems in our residence halls in as an expedient as possible manner.

"The State has expressed a positive reaction in that they get \$21 million, and they get 17 buildings taken off their books for which they've had liability and exposure."

Ms. Coates pointed out the omission of the SGA Executive Vice President in the

list of individuals serving on the Board of Directors of the Student Life Foundation as provided under Tab 11 of the informational booklet “WKU Student Life Foundation, Inc.” President Ransdell agreed to include this position on the Board, and Ms. Coates requested a revision in this list. Ms. Coates also requested a change in page 2 of the proposed resolution, fourth paragraph to read, “Resolved, that WKU shall enter into a management agreement, together with any **and** all other agreements necessary to implement said recapitalization and renovation, acceptable to this Board of Regents in its sole and absolute discretion; and it is further....”

Motion to approve the recommended resolutions with the editorial changes suggested by Ms. Coates was made by Mr. Fischer, seconded by Ms. Bale and carried unanimously.

RESOLUTIONS

WHEREAS, Western Kentucky University’s (“WKU”) residence halls are in need of major renovations and repairs, including deferred maintenance, the cost of which cannot be funded through the existing financial structure of WKU; and

WHEREAS, the balance of all WKU’s Housing and Dining Bond indebtedness on said residence halls is approximately \$21,000,000; and

WHEREAS, WKU does not currently possess, nor does it anticipate obtaining, bonding capacity necessary to undertake the needed repairs and renovations of its residence halls; and

WHEREAS, the WKU Housing Task Force was created to evaluate the feasibility of the recapitalization of WKU’s residence halls through alternate means in order to find a mechanism to fund the needed improvements for the residence halls; and

WHEREAS, the WKU Housing Task Force studied the matter and issued its report recommending a recapitalization plan whereby WKU will convey its residence halls to a newly created non-affiliated, nonprofit, non-stock corporation in exchange for the retirement of all of WKU’s Housing and Dining Bonds together with the renovation or replacement of the residence halls; further, the new corporation and WKU shall also enter into a management agreement by which WKU will manage and operate the residence halls in substantially the same manner that it currently operates those facilities; and

WHEREAS, WKU Student Life Foundation, Inc. was incorporated on May 21, 1999, as a nonprofit, non-stock tax exempt Kentucky corporation to implement the

recapitalization of WKU's residence halls by issuing tax exempt revenue bonds, owning and renovating the residence halls, and contracting with WKU to manage and operate the residence halls.

NOW THEREFORE, IT IS HEREBY RESOLVED, that the Board of Regents of Western Kentucky University accepts the report of the WKU Housing Task Force and endorses the recapitalization plan by which WKU will convey its residence halls and related real estate to the WKU Student Life Foundation, Inc. in exchange for the retirement or defeasance of WKU's Housing and Dining Bonds and the renovation or replacement of the residence halls for the benefit of the students of WKU; further, simultaneously with the conveyance of such residence halls, WKU shall enter into a management agreement with WKU Student Life Foundation, Inc. for WKU to manage and operate the residence halls; and it is further

RESOLVED, in order to carry out the recapitalization and renovation of the residence halls as set forth above, the Board of Regents of Western Kentucky University does hereby authorize and approve: (a) The conveyance by WKU of the residence halls, their associated real estate, and all improvements within such residence halls to the WKU Student Life Foundation, Inc.; and (b) the entering into of those easements and rights of way necessary to carry out the intent and scope of the recapitalization, renovation and operation of the residence halls; and it is further

RESOLVED, that WKU shall enter into a management agreement, together with any and all other agreements necessary to implement said recapitalization and renovation, acceptable to this Board of Regents in its sole and absolute discretion; and it is further

RESOLVED, that the Board of Regents hereby authorizes and empowers the President of WKU, to take any and all actions necessary to implement this resolution for and on behalf of Western Kentucky University, including, but not limited to, the authority for and on behalf of WKU to execute all documents including deeds, easements and instruments creating rights of way.

This the 30th day of July, 1999.

- ◆ **Agenda Item 14.2 - Title IX Update** - Members of the Board had been provided a thirty-five page written progress report dated July 30, 1999, prior to the meeting. (A copy is filed with the Board's official documents). Ms. Pam Herriford, Interim Director of Athletics, and Dr. Steve White, faculty athletics representative reviewed this report in a summary presentation using overheads that reflected:

Ms. Herriford reported on the process of adding three new women's sports: women's swimming in 1996, women's softball in the fall of 1999, and women's soccer in the fall of 2001. The plan, when completed, will have ten men's and ten women's sports.

President Ransdell complimented Ms. Herriford and Dr. White for a very

positive progress report and encouraged Board members to keep it on file for future measurement of the progress being made. Additionally, Dr. Ransdell thanked Ms. Herriford for her service as Interim Athletic Director for approximately one month. A permanent appointment is expected by mid August.

- ◆ **Agenda Item 14.3 - Year-End Development Totals** - Mr. Tom Hiles, Vice President for Development and Alumni Affairs reviewed year-end development totals by strategic plan goal (found on pages 32-41 of the agenda packet).
 - ◆ **Total Giving to Western Kentucky University** reflects a 34.08% increase over the previous year's cash totals. Alumni giving is up nearing 100% over a two-year period; corporate giving is up over 100% in a one-year period, and President's Circle growth has risen from about 400 members in 1998 to about 534 members at the close of the year. Next year's goal is to get to 650 members.
 - ◆ **Progress toward increasing the University's combined endowment to \$50 million** is reflected on page 37 of the agenda book and shows significant progress. The immediate goal is to get to \$50 million by 2003; the chart reflects a rise from \$20.6 million in 1998 to \$31.6 million for 1999.
 - ◆ **Progress toward providing 25 new endowed faculty positions by 2003** is reflected on page 38 of the agenda book; currently there are 8 endowed professorships. More matching money would enhance the ability to announce several other endowed positions.
 - ◆ **Achieving a level of \$10 million a year in private gift support update** is found on page 39 and shows the current level of \$5.7 million.
 - ◆ **Reaching a level of \$25 million in deferred gift inventory** is updated on page 40 and represents bequests and other planned giving vehicles and reflects an increase from \$13 million in 1998 to \$28 million in 1999.
 - ◆ **Achieving 20% participation among alumni in the University's annual giving program** is reflected on page 41 and is the only goal that wasn't achieved. Current level reflects 17.3% of the 18% goal.
- ◆ **Agenda Item 14.4 - Media Report** - Mr. Fred Hensley, Chief Public Affairs Officer, indicated that the current report is found on page 42 - 44 of the agenda book and shows a measurement of the coverage and exposure to both print and electronic media.

AGENDA ITEM 16 - Other Business

Chair Martin stated he had asked Regent Fischer to look at revisions needed in the President's contract and called on Mr. Fischer to summarize the suggested revisions which will be submitted in writing to Board members prior to an official vote on the changes later in the fall.

Mr. Fischer stated, "The Board wants to show their support in recognizing

Dr. Ransdell's contribution to this University, which has been major, by increasing the length of the term of the contract which is the major point in the proposed revisions. We will probably recommend to you at the next meeting the expansion of the length of the contract to four years. This certainly will be a signal to Dr. Ransdell that he's on the right track, and that this Board is in his support." Mr. Fischer emphasized the Board's support for the current President noting his strong start and his innovative ideas prompt the Board to send a strong signal of appreciation to Dr. Ransdell with these adjustments.

AGENDA ITEM 16.1 - Recommendation for authorization of the establishment of a Deferred Compensation Plan as provided for in IRC Section 457(f) for the use and benefit of the President of Western Kentucky University

General Counsel Deborah Wilkins reported that the employment contract for the current President provides for a deferred incentive plan. The funds deposited into this account are restricted to the investment guidelines established by the Commonwealth of Kentucky. It is possible to improve and maximize the investment opportunities for the funds. In order to do so, the Board must approve the establishment of a Deferred Compensation Plan as provided for in IRC Section 457(f) for the use and benefit of the President of Western Kentucky University. Once established, this plan would be available to President Ransdell and also to those future Presidents with deferred annuities. There is no cost or expense to the University related to the establishment of the Plan.

Motion for approval as recommended was made by Mr. Fischer, seconded by Mr. Sheffer and carried unanimously.

The Board took a ten minute break before going into closed session.

Motion to go into closed session for purposes of receiving and discussing information contained in proposals for the provision of health services submitted by competing offerors pursuant to KRS 4A.085(b) and KRS 61.810(k) was made by Ms. Bale and seconded by Mr. Sheffer. The reason for the closed session is that the specific information to be discussed is required to be conducted in privacy under Kentucky law until such time as a contract is awarded. Motion carried.

The Board accompanied by President Ransdell; Ms. Esters; Ms. Wilkins; members of the Committee, Ms. Mead, Dwight Campbell (student), Dr. Wilder, and

Interim Director of Purchasing David Holcomb went into closed session at 4:30 p.m.

Returning from closed session at approximately 6:25 p.m., Mr. Martin stated, “The Board is now returning to open session. The subject of the discussions and deliberations during closed session were restricted to those in the motion, and no formal action was taken by the Board in closed session.”

With no further business to come before the Board, motion for adjournment was made Mr. Fischer and seconded by Mr. Sheffer. The meeting adjourned at approximately 6:27 p.m.

CERTIFICATION OF SECRETARY

I hereby certify that the minutes herein above set forth an accurate record of votes and actions taken by the Board of Regents of Western Kentucky University in a regular meeting held on July 30, 1999, in the Library of the WKU- Glasgow Campus, and further certify that the meeting was held in compliance with KRS 61.810, 61.815, 61.820, and 61.825 (enacted as Sections 2, 3, 4 and 5 of House Bill 100, 1974 Regular Session, General Assembly).

Elizabeth W. Esters
Secretary

Cornelius A. Martin
Chair
October 29, 1999

Elizabeth W. Esters
Secretary
October 29, 1999

